UNITED NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/ECE/1336
1 February 1996

ENGLISH
Original: ENGLISH/FRENCH

ECONOMIC COMMISSION FOR EUROPE

Fifty-first session
(Provisional agenda item 6)

SUMMARY DOCUMENT

Note prepared by the secretariat

1. This note contains the highlights, successes and difficulties encountered in implementing the programme of work, as well as other relevant issues of the work of the Commission's subsidiary bodies since the fiftieth session, and draws attention to those matters which require the consideration, action or decision of the Commission. A section also highlights major developments foreseen in 1996. It is intended to assist delegations in their review of the ECE programme activities and to direct them to the difficulties as well as to the points of excellence and innovation, in the programme of work, on which they will need to focus attention and give guidance to the subsidiary bodies and the secretariat for the coming year. Accordingly, this note has a specialized function and is not intended to replace the reports of the principal subsidiary bodies (PSBs), which should be consulted for greater detail on matters referred to herein.

2. This document is intended to provide background and substance, in a summary form, for the Programme and Coordination segment of the fifty-first annual session.

GE.96-20261 (E)

3. Major features of 1995 were the follow-up to decision A (50), paragraph 13, concerning the preparation of strategic directions for the Commission, relations with the principal partner institutions, the European Commission and OSCE and the preparation and follow-up of world conferences. From September onwards, the freeze resulting from the financial crisis in the United Nations and the announced departure of the Special Assistant and Secretary of the Commission created additional problems.

4. The initiation of the consultation process and the dispatch of questionnaires to the chairmen of the principal subsidiary bodies organs and to the member countries were outstanding features. The extensive involvement of the Bureau of the Commission, and the guidance they gave, were highly appreciated by the secretariat and were determining factors in the progress achieved. In parallel, the Executive Secretary, by agreement with his colleagues on the other regional commissions and the Secretary-General of UNCTAD, asked two independent experts, Mr. Molitor, former Ministerial Director at the Ministry of Economic Affairs of Germany and Mr. Gohran Ohlin, former Assistant Secretary-General of the United Nations, to undertake an evaluation of the work of the five regional commissions and of UNCTAD in order to identify their usefulness, possible synergetic effects and any duplication. A provisional report is expected to be available in April.

5. Budgetary constraints particularly affected the work of the regional advisers but they also froze the external recruitment process and prevented the extension of short-term contracts which are often very useful for the preparation of sectoral studies. At the same time, the criticism by certain Governments to which the regional commissions were subjected obliged the Office of the Executive Secretary to devote considerable time to replying and to providing the information necessary for a balanced judgement. This was the context for the launching of the study entrusted to Mr. Molitor and Mr. Ohlin, which was distributed to the Economic and Social Council, the "mission statement" of the regional commissions, and for the preparation of the brochure "Introduction to the Economic Commission for Europe" and of the note "The uniqueness of ECE" and "The UN/ECE and the Business Community", as well as a hundred or so press releases. It goes without saying that the secretariat should be more active in publicizing its work. It is also clear that technical ministries, and the United Nations department of ministries of foreign affairs, should join forces to draw the attention of the political hierarchy to the usefulness of ECE, a modest technical instrument which works and makes a positive contribution to the harmonization of Europe.

6. Relations with the European Commission were significantly strengthened following the mission entrusted for that purpose to the Director of the Trade Division and the visit made by the Executive Secretary to Brussels. Regular consultations are becoming established at the level of the Office of the Executive Secretary and of Directorates. Seven projects were prepared by the regional advisers for submission to PHARE and TACIS (E/ECE/1334 and 1328). Similarly, cooperation with OSCE was stepped up with substantial contributions to two seminars and to the Prague Economic Forum. The culmination of that cooperation was the preparation of an evaluation of the implementation of the

undertakings contained in the Document of the Bonn Conference on Economic Cooperation in Europe. The twofold objective of providing support to the economic activities of OSCE and of making ECE better known was attained (E/ECE/1333).

Highlights for 1996

7. Three priorities commend themselves for 1996: support for Governments in defining strategic directions for the future of the Commission, which will enter a decisive phase after the April session; assistance to the ad hoc working group on savings; and the management of budget reductions.

8. With respect to savings connected with meetings, delegations may consider the possibility of reducing their duration by increasing the responsibilities of the Bureaux. The latter might, in particular, prepare meetings so as to enable them to concentrate on substantive discussions and adopt reports ad referendum.

Subjects to be brought to the attention of the Commission

9. Delegations in Geneva have always given attention to the budgetary problems of the Commission and have given their support for providing the secretariat with the resources necessary to service the Commission and its subsidiary bodies. Several countries have actively confirmed their support in New York. It is evident that, at the present time of budget reductions, the support of all countries in New York is indispensable. The ongoing exercises to define strategic directions should be of assistance in that connection.

10. Delegations also expressed their concern at the delays in recruitment or promotion. Information is regularly provided to them on the situation. It is worth noting that, according to the United Nations Office at Geneva, the procedures set up in response to the various decisions of the General Assembly require an average of 98 weeks for external recruitment and 56 weeks for promotion or transfer from one United Nations agency to another. The length of the procedure is essentially due to the multiplicity of restrictions, criteria and controls imposed, and to the fear of numerous ex post controls. The key to improving the effectiveness of the system lies in a simplification of procedures, greater delegation of responsibility to departmental heads and ex post rather than ex ante control.

A. HIGHLIGHTS OF ACTIVITIES OF ECE PRINCIPAL SUBSIDIARY BODIES IN 1995

ENVIRONMENT (Subprogramme 01)

11. The Third Ministerial Conference "Environment for Europe" (Sofia, 23-25 October 1995) was a major event in ECE activities on environment. Ministers acknowledged the important role of the ECE in overseeing the development of the "Environment for Europe" process in close cooperation with relevant agencies. The ECE Working Group of Senior Governmental Officials coordinated the preparations for the Conference including drafting of the Ministerial Declaration. Reconfirming the importance of the "Environment for Europe" process as a political framework

for cooperation in the field of environmental protection in Europe, the Sofia Conference invited the ECE Committee on Environmental Policy to ensure the substantive preparations for the next Ministerial Conference to be held in Denmark in May 1998.

12. The 1995 Conference focused on measures to improve environmental conditions in countries in transition particularly environmental financing, and on harmonization and convergence of environmental policies in the entire ECE region including policies for the involvement of business and industry in securing environmentally sustainable economic development, conservation of biological and landscape diversity, and public participation in environmental decision-making. The Ministers of Environment from 49 ECE member countries and the Representative of the European Commission endorsed the Environmental Programme for Europe (EPE) which highlighted a number of long-term environmental priorities at a pan-European level and invited the Committee on Environmental Policy to screen the Programme in order to make concrete proposals for action. They also endorsed the ECE Guidelines on Access to Environmental Information and Public Participation in Environmental Decision-Making and envisaged the development of a regional legally-binding instrument (convention) on the matter. The Conference welcomed the recommendations of the ECE Integrated Report on Environmental Financing and supported initiatives of bilateral donors and international financing institutions to follow up these recommendations. The Ministers at Sofia called for strengthening implementation of and compliance with the ECE environmental conventions.

13. The ECE/CEP made significant progress in 1995 in the extension to the entire ECE region of the system of national environmental performance reviews, originally developed by the OECD for its member countries. The ECE secretariat actively participated in the pilot review of Bulgaria conducted by the OECD and the first pilot ECE review on Estonia was finalized. The 150-page review report, prepared by experts from five examining countries (Czech Republic, Finland, France, Germany and Ukraine) and the ECE secretariat, evaluates how environmental and economic policies are integrated in the process of Estonia's transition from a centrally planned to a market economy accompanied by specific difficulties arising from the entire transformation of the national legal and institutional systems after the regaining of the State independence in 1991. Nine countries responded favourably to a request to interested countries regarding contributions in support of the respective ECE work, so that the Estonian review, as well as preparatory work for further reviews, could evolve smoothly. Slovenia was selected as the next country to be reviewed. Following the decision of the Sofia Ministerial Conference urging ECE to extend the environmental performance review system to the entire ECE region, the Executive Secretary pooled the necessary secretariat resources in a Team for Environmental Performance Reviews and Environmental Data Services. The team is rapidly developing its work schedule in full coordination with the OECD Secretariat (para. 4 of decision G (50)). The report findings and recommendations are intended to help Estonia to identify priorities for government action to improve environmental conditions, to strengthen its capabilities for environmental policy-making and management, to stimulate greater government accountability towards public opinion, and to strengthen cooperation with the international community.

14. Following the successful conclusion of the 1994 Protocol on Further Reduction of Sulphur Emissions, the Executive Body for the Convention on Long-range Transboundary Air Pollution (LRTAP) decided in 1995 to initiate negotiations on three new protocols, possibly in parallel. Highest priority was given to the development of the second step to the NO_x Protocol, using a multi-pollutant approach and addressing photochemical pollution, acidification and eutrophication. Preparations carried out for protocols on persistent organic pollutants and heavy metals were judged sufficient to start negotiations on these substances. It was recognized that such protocols might set a model for action beyond the region and/or at the global level.

15. Progress was made by the Parties in the implementation of the LRTAP Convention: the 1995 Major Review of Strategies and Policies for Air Pollution Abatement showed that all Parties to the 1985 Protocol on the Reduction of Sulphur Emissions or their Transboundary Fluxes by at least 30% had successfully met their obligations by the target year 1993. Regarding the 1988 Protocol concerning the Control of Emissions of Nitrogen Oxides or their Transboundary Fluxes, having 1994 as target year, it was concluded in 1995 that 18 of the 25 Parties to the Protocol had already met their obligations of stabilizing their emissions at the 1987 level in 1993. In 1995 the mandatory scheme for international cost-sharing for coordination of activities on monitoring and evaluation (EMEP) was thoroughly reviewed and subsequently revised. The new system will be applied in the future. The Executive Body prepared in 1995 proposals for instruments for international cost-sharing also of effect-oriented activities within the five international cooperative programmes and the mapping programme, based on streamlining of such activities.

16. Increased efforts were made to contribute substantially to the preparations for the ECE Regional Conference on Transport and the Environment. In the preparations of a second step to the NO_x Protocol the contribution of the transport section to the achievement of critical loads and levels in Europe is being addressed. That sector contributes to acidification, eutrophication and ozone formation, thereby causing serious damage to environment, materials and human health. The Task Force on Integrated Assessment Modelling under the Convention will review the study for the purpose of developing it to include scenario analysis as a basis for negotiations. It is envisaged that the Task Force and PrepCom for the above Conference will cooperate in this respect and that the Conference may give strong political support for necessary regulatory action within the framework of the Convention.

17. Progress was made in implementing the three new environmental conventions in a transboundary context on water management, environmental impact assessment and industrial accidents pending their entry into force. Under these conventions networking was improved; assistance to countries in transition strengthened; regional centres for training, capacity building and promotion of the respective conventions set up and/or further developed; and steps taken to prepare the first Conferences of the Parties from the technical, logistic, substantive and procedural point of view. From progress made in the national ratification processes, it can be expected that the

Convention on the Protection and Use of Transboundary Waters and International Lakes and the Convention on Environmental Impact Assessment in a Transboundary Context will enter into force this year.

TRANSPORT (Subprogramme 02)

18. The misuse by organized crime of the Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention) was an important issue in 1995. In order to combat fraud, short-term measures were decided and work was initiated on the revision of the Convention. An informal group of experts established a number of new elements for a revised TIR transit regime. Two sessions of the TIR Contact Group, including participation of the transport industry and the insurers, were also devoted to a discussion of this matter.

19. A new international legal instrument in the field of transport, the European Agreement on Main Inland Waterways of International Importance (AGN), was finalized and adopted. This will complement the set of existing ECE infrastructure-related instruments providing for European road (AGR), rail (AGC) and combined transport (AGTC) networks. A White Paper on Trends in and Development of Inland Navigation and its Infrastructure was prepared. Together with the newly adopted AGN Agreement, the White Paper is expected to encourage the further development and promotion of international transport by inland waterways in Europe.

20. Considerable progress was made in the preparations for the Regional Conference on Transport and Environment. Agreement was reached on a text of Draft Guidelines for a Common Strategy regarding Transport and Environment. The further development of the main issues contained in that text was initiated and has led to the identification of a number of issues on which binding agreement could be achieved: environmental standards for vehicles in international transport, periodic technical inspections of vehicles in-use and development of combined transport on inland waterways and coastal shipping. It was felt that the relevant legal instruments could be adopted by or signed on the occasion of the Conference. In addition to these legal instruments, the outcome of the Conference was expected to include a programme of action and a political declaration. Two ECE countries were currently considering hosting the Conference.

21. The second Road Safety Week in the ECE region (27 March-2 April 1995) was an important step toward intensification of joint efforts of governments and national and international organizations to improve road traffic safety of young people, the most vulnerable group of road users. A majority of ECE member States waged during that week simultaneous national road safety campaigns in their countries addressed to young road users, chosen as a common target group for the campaigns.

22. The revision of the Agreement on Minimum Requirements for Issue and Validity of Driving Permits (APC) was initiated with a view to adjusting its provisions to the present requirements of international road transport. The adoption of uniform requirements was considered particularly important for

countries in transition taking into account the priorities and needs of those countries on both road traffic safety and facilitation of international road transport.

23. Following the decision to reformat the United Nations Recommendations on the Transport of Dangerous Goods into a model regulation, the restructuring of the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) and the RID was being carried out in parallel with that reformatting process. After two years of delay, due to the lack of sufficient resources in the Transport Division, the European Provisions concerning the International Carriage of Dangerous Goods by Inland Waterway (ADN) were finalized.

24. The amended 1958 Agreement concerning the adoption of uniform technical prescriptions for wheeled vehicles, equipment and parts and for reciprocal recognition of approvals granted on the basis of these prescriptions entered into force on 16 October 1995. It should simplify the legal and administrative procedures and make the Agreement open to accession by countries outside Europe. Currently 99 Regulations are annexed to the Agreement.

25. Forty ECE member countries, twice as many as in 1990, agreed to carry out the 1995 Census of Motor Traffic on Main International Traffic Arteries in Europe (E Road Census). The E Road Census Programme, carried out every five years since 1955, is the only one of its kind providing data on a pan-European basis and is considered essential for transport planning and investment purposes. The 1995 Census is especially significant as it will yield important information reflecting the changes in traffic flows resulting from the new political and economic situation in the ECE region.

26. An ad hoc session of the Working Party on Transport Trends and Economics was held, solely dedicated to assistance to countries in transition. A seminar on ECE work in the field of transport including legal instruments was organized by the secretariat for the benefit of CIS States.

STATISTICS (Subprogramme 03)

27. A major ECE/UNDP project was launched in 1995 to improve the capacities of national statistical offices in countries in transition to provide much needed social and demographic statistics. Among the priorities are preparations for the first-ever independent census of population in many ECE member countries. 1995 was also the first full year for the regional adviser on economic statistics who gave special attention to measurement of the hidden economy which is a major component of economic activity in newly independent States. In all these projects, ECE is working closely with other international agencies and bilateral donors, but especially the European Union.

28. During 1995, the ECE established a flow of essential data on the economies of all countries in transition which are now stored in a flexible database for the central analytical work of the ECE.

29. The first ever statistical yearbook of the ECE was published in 1995, providing unique statistical profiles of all 55 member countries together with comparative data on economic and social life in the region. To coincide with the Beijing Conference, a volume of gender specific statistics was also published with the help of Statistics Sweden, Eurostat and INSTRAW.

30. Continuing its fundamental review of its work programme, the Conference reviewed subprogrammes 3 and 4 on economic and social statistics.

TRADE FACILITATION (Subprogramme 04)

31. The restructuring of the Working Party on Facilitation of International Trade Procedures (WP.4) was the highlight of 1995. The Working Party proposed the creation of a new Centre for the Facilitation of Procedures and Practices in Administration, Commerce and Transport (CEFACT) which would allow full participation of non-ECE member countries and ensure better attention to policy issues. It would address facilitation of procedures and practices for administration, commerce and transport. The work would be streamlined and many technical decisions would be delegated to technical bodies outside the formal United Nations structure. Based on customer priorities a detailed work programme, taking into account the interrelationship between trade procedures and EDI, is under development.

32. The Committee on the Development of Trade, during its forty-fourth session, supported the general direction of WP.4's forward strategy and encouraged WP.4 to develop, as soon as possible, the detailed programme of work, terms of reference and procedures that are required for agreement by the Committee no later than December 1996 so that a decision can be taken by ECE at the earliest opportunity thereafter.

33. During 1995 technical and administrative support for trade facilitation was provided to countries in transition. The main objectives of the ECE Regional Advisory Services in this area are to increase awareness of WP.4 and act as a catalyst for trade facilitation. Experience to date suggests that the technical assistance has to respond to different needs in different member States. Unlike the early focus of trade facilitation to reduce bureaucracy, in some countries the results of WP.4's efforts serve as a guide to build up a rational international trade infrastructure, balancing Governments' legitimate need for control against the need to avoid unnecessary administrative barriers to trade.

34. In order better to represent their interests, the Working Party Bureau has appointed a Vice-Chairman with special responsibilities for countries in transition (Romania). The meeting of Experts on Procedures and Documentation (GE.2) similarly has appointed a Vice-Chairman with special responsibilities for those countries (Russian Federation).

35. In order to make WP.4's work more accessible, a Trade Facilitation home page has been developed on the Internet World Wide Web (WWW). The ECE's presence on the WWW represents a significant step towards an improved dissemination of information and increased awareness of the activities carried out by the ECE. The impact of ECE's presence on the WWW is shown by the large number of "hits" registered every day.

36. In response to the priorities established by representatives of the countries in transition, the WP.4 Trade Facilitation Recommendations have been compiled into a single volume and the framework developed by the ad hoc group on International Trade Transaction (ITT) modelling has proven to be an effective way to organize and present the many facets of WP.4's activity. During 1995 the Working Party approved the UN/EDIFACT D.95A and D.95B directories.

ECONOMIC ANALYSIS (Subprogramme 05)

37. Preparation and publication of the Economic Survey of Europe and the Economic Bulletin for Europe remain the core activity of the DEAP and, as mandated by decisions O (45) and B (46), both publications continued to give particular emphasis to current economic developments and policy issues in the transition economies of eastern Europe and the countries of the former Soviet Union. Both publications included studies of specific issues: the 1995 Survey contained studies of "Reform of the Banking System in Eastern Europe", "Private Sector Development in the Baltic States", and a chapter on International Migration in the Transition Economies. The latest issue of the Bulletin, which focuses more on trade and payments issues, contains a special study of outward processing trade between the EU and eastern Europe. Both publications are presented to the annual meetings of the Commission and the Senior Economic Advisers, who discuss them in detail and make suggestions for future issues, and the Bulletin to the Committee for the Development of Trade.

38. At their thirty-first session in June 1995, the Senior Economic Advisers also focused on two topics selected by the Bureau, namely the sustainability of the economic recovery in ECE member countries, and the mobilization of resources for fixed investment in the transition economies. The Bureau has prepared, under its own responsibility, a summary of the main points and findings emerging from the discussions.

39. Research into population issues focused on international migration, population ageing and fertility and family surveys. Two issues of the International Migration Bulletin were published in May and in November with up-to-date information on refugees, displaced persons, asylum-seekers and regular migrants with particular attention to countries in transition. In-depth international migration surveys were conducted in Lithuania, Poland and Ukraine and comprehensive reports were prepared. Large samples of data on the aged in 14 countries of the region were assembled as a basis for analysing living conditions of the elderly. By the end of 1995, Fertility and Family Surveys field work had been completed in 20 countries. The analysis of the data is in progress and country reports are being prepared in 18 countries.

ENERGY (Subprogramme 06)

40. In 1995, as in previous years, the programme of work in energy was largely focused on gas, coal, electric power, energy efficiency, energy policies and strategies, and to a lesser extent, on new and renewable energy resources.

41. Activities on coal were concentrated on policy issues of the restructuring of coal industries; clean use of coal (Implementation Programme

on Accelerating Clean Coal Technology - IMPACCT - project); development of international guidelines, classifications and standards related to the sustainable exploitation and use of solid fuels; as well as promotion and facilitation of international coal trade. A symposium on sustainable regional development provided assistance to the coal industry and Governments in the process of restructuring of the coal industry. Four workshops were organized on issues pertaining to industry restructuring and market adaption, geodynamic zoning and the classification of coal deposits.

42. Activities on electric power focused on assessing the implications of economic reforms for the industry in central and eastern Europe; and programmes on environmentally friendly thermal power stations and the potential of retrofitting and re-powering coal-fired power stations using clean combustion technologies for environmental protection. Priority was given to international interconnections of the European power systems. A symposium on Coal-Fired Power Generation, the Environment and Public Acceptance was organized. A draft of the study "Prospects of Natural Gas and Electric Power Generation and their Impact on the Development of the Gas and Electric Power Industries" was prepared.

43. The glossary on "National Gas Resources" was completed and a study was prepared on "Measures of Gas Conservation - Household Gas Consumption and Appliances". The technical cooperation programme Promotion and Development of a Market-Based Gas Industry in Countries in Transition - the "Gas Centre" completed its first year of operation; four training seminars were organized, three sales publications were published on issues related to gas industry operations, gas pricing, rate-making and tariff design; work was also started on the development of a database, training manuals, and on other programme elements of the Gas Centre.

44. A workshop on the Use of Solar Energy was held at Bet Berl, Israel, to exchange information, suggest programmes for the wider application of solar power and to promote international cooperation.

45. Activities continued with the second phase of the "Energy Efficiency 2000" project (1994-1997) holding trade fair business briefing sessions in Plovdiv (Bulgaria), Prague (Czech Republic), Maribor (Slovenia) and Lausanne (Switzerland) and an Ad Hoc Meeting on Energy Efficiency Demonstration Zones in Minsk (Belarus). A preparatory assistance project to develop energy efficiency demonstration zones in Bulgaria, Czech Republic, Hungary and the Russian Federation was supported by the UNDP Global Environment Facility and extended into 1996. A joint project with the European Union SAVE programme on energy efficiency standards was initiated while new work on financial mechanisms for energy efficiency investments in the Russian Federation began with the EBRD, World Bank, Russian commercial banks and western experts.

46. An analysis of the energy situation and policies in the ECE region, with particular reference to the economies in transition, and an analysis of energy and CO_2 emission policies and projections were prepared.

47. The ECE Energy Division continued to provide advisory services, technical cooperation programmes and organized nine workshops and seminars. The Regional Adviser on Energy focused on coal, gas and electric power issues,

energy programmes and policies in CIS countries, energy conservation issues, energy efficiency demonstration projects, and the UNDP/ILO/UN ECE Project on military conversions in Belarus.

DEVELOPMENT OF INTERNATIONAL TRADE (Subprogramme 07)

48. At its forty-fourth session the Committee on the Development of Trade considered current trends and problems of development of international trade and investment cooperation in the ECE region, giving special attention to questions of expanding trade of transition economies. It also approved the results of the re-engineering process initiated by the Working Party on Trade Facilitation (WP.4) and adopted the paper from the Bureau on procedures and organization of the Committee and its future activities, which will allow it to serve more effectively the interests of the ECE member States in international trade.

49. The Committee approved the publication of the Guide on adaptation of real property laws prepared by the Working Party on International Contract Practices in Industry (WP.5) and welcomed its new working methods.

50. A secretariat study addressed the current situation in the transition economies and suggested possible solutions to improve access to financial means for business operators from countries in transition and in particular from the CIS States. The round-table discussion at the session of the Committee on the Development of Trade on the experience of banks of developed and transition economies in financing such deals showed significant interest, not only from official delegates but also from the representatives of private companies and banks.

51. The International Forum on attracting private investment to large-scale infrastructure projects in the countries in transition was held during the session of the WP.5 in November 1995 and addressed means of private sector financing for public sector infrastructure projects. The Forum examined government policy and legal requirements for implementing such schemes. It was attended by more than 300 representatives of State agencies, international organizations, public and private banks and enterprises from all over the ECE region.

INDUSTRY AND TECHNOLOGY (Subprogramme 08)

52. Preparations have continued for the review of major changes in overall science and technology policies to be held in September 1996. Science and technology indicators in the economies in transition are being collected with the Conference of European Statisticians and OECD. A compilation of the latest summaries of submissions for the inventory of existing safety guidelines in biotechnology was issued and widely distributed. To date the secretariat, acting as depository, has national submissions from 33 ECE Governments and three international organizations.

53. Within a new programme activity "Role of science and technology in securing sustainable development of the economies in transition", a round-table discussion on industrial policies in Hungary was held in Budapest in November 1995.

54. At its fifth session in September 1995 the Working Party on the Chemical Industry evaluated progress made and future action to be taken in the regional programme "Chemical Industry - Sustainable Economic and Ecological Development" (CHEMISEED). It supported further work on the Pilot Project Demonstrating the Environmental Clean-up of Selected Sites Polluted by Chemicals and proposed that the study on chemical legislation be converted to a Comparative Data Bank on Chemical Legislation in ECE Member Countries. It reconfirmed its support for the Regional Environmental Management Centre for the Chemical Industry in Poland. Several follow-up seminars were suggested to the Seminar on Low and Non-Waste Process Technologies (Moscow, September 1995). A round-table discussion on "The chlorine industry and sustainable development", organized during the session, was considered a useful tool for the exchange of views on crucial issues facing the chemical industry.

55. The Working Party has maintained close cooperation with the EC (which is financially sponsoring a major project), as well as numerous professional organizations.

56. The Working Party on Engineering Industries and Automation has focused its activities on priority issues of the Commission: economic analysis and statistics, environmental protection and sustainable industrial development, and assistance to economies in transition.

57. The 17th Meeting on Questions of Statistics concerning Engineering Industries and Automation endorsed the preparations for the publication World Engineering Industries and Automation, Performance and Prospects 1994-1996. It approved the recommendations of the ECE/Eurostat Seminar on National Experiences of Conversion to ISIC revision 3/NACE revision 1 and agreed to organize a seminar on statistical nomenclatures in spring 1997.

58. Some 180-200 participants from all over the world took an active part in the SME '95 Workshop on Small and Medium-Sized Enterprises (Moscow, September 1995).

59. The first open-ended expert meeting on robotics (September 1995) reviewed and endorsed the draft of the ECE/IFR publication World Industrial Robots 1995 - Statistics 1983-1994 and Forecasts to 1998. It agreed on the preparations for the 1996 issue and decided to hold a second meeting in September 1996.

60. At its fifth session in October 1995, the Working Party on Steel confirmed the orientation of its work in four main areas of activity: management of the evolution of the steel industry; collection and analysis of statistics; restructuring of the steel sector in countries in transition; and protection of the environment. It placed particular emphasis on the last two areas and stressed the importance of the new regional programme on Metallurgy and Ecology, whose aim was to encourage sustainable development in the steel industry. The Working Party stressed its interest in activities which brought together the expertise available in other organizations (e.g. the Global Study of the Steel Industry in Europe and the project on the potential for

cooperation between steel producers of different European countries) and in other ECE Divisions, and which actively sought to involve representatives of the steel industry.

61. The Working Party expressed its satisfaction with the quality of the new steel statistical bulletins and the sixth biennial publication "Iron and Steel Scrap". It emphasized the importance of the collection and analysis of data on global trade and consumption of steel scrap as this question was of great concern to most steel producers in the world and had consequences for the trade relations between several countries. It decided to convene a second meeting of experts on the Steel Industry and the Environment to make concrete proposals for projects to be incorporated into the Working Party's programme of work. It approved and adopted the recommendations made by the Seminar on the Steel Industry and Recycling (Dusseldorf, Germany, April 1995) which agreed on the necessity of an efficient partnership between government authorities and the steel industry and the role played by the UN/ECE to bring them together. It stressed the value of study tours, such as the study tour of the steel industry of the Russian Federation (September 1995), and encouraged other countries to consider hosting study tours.

62. The fifth meeting of the Working Party on Standardization Policies in May 1995 reviewed developments in the fields of coordination, harmonization, conformity assessment and metrology at the international, regional and national levels. At a meeting of Office-Bearers, Coordinators and Rapporteurs held in October 1995, agreement was reached to study the possibility of transforming some ECE recommendations on standardization policies into more binding legal forms, e.g. intergovernmental agreements. A first training seminar on metrology was held in Paris (France) in March 1995 and a workshop on quality assurance in Iasi (Romania) in May 1995.

AGRICULTURE AND TIMBER (Subprogramme 09)

63. The forty-sixth session of the Committee on Agriculture was dominated by the consequences of the withdrawal of FAO staff members from the agriculture section of the ECE secretariat, as a result of the global restructuring of FAO regional activities. The financial implications of the remaining limited ECE secretariat resources offered three options: to discontinue the Committee, retaining only the activities on standardization of perishable produce and food and agricultural statistics within existing secretariat resources; continuing the above activities and additionally continuing the joint FAO/ECE Working Parties on Agriculture and the Environment and on Economics of the Agri-Food Sector and Farm Management within other ECE Divisions; or a possible merger of the Committee on Agriculture with the FAO European Commission on Agriculture.

64. The Committee reacted positively to a compromise proposed by the European Union on the merger of ECE and FAO activities which invited the Commission to consider the proposal of FAO for merging the ECE Committee and the FAO European Commission on Agriculture in the light of FAO's offer to make some resources available and taking into account the constrained budgetary situation of ECE in 1996-1997.

65. The Working Party on Standardization of Perishable Produce and Quality Development was accorded priority ranking. The Committee accepted that the activities of the Working Party should be fully integrated into the activities of the Committee on the Development of Trade and that the Working Party should be relocated in the Trade Division as a logical development given the recognized role of the ECE quality standards in trade facilitation.

66. Workshops for countries in transition covered standards and quality control for perishable produce; private farming in eastern Europe and transferring farming technology to CEECs.

67. The Timber Committee confirmed its decision to hold its next session jointly with the FAO European Forestry Commission, notably to discuss policy implications of the study of European timber trends and prospects (ETTS V). The strategic partnership with FAO in the timber/forest field was maintained, even strengthened, despite restructuring in FAO, and a partnership with the EU is being built up in the field of forest information and statistics. All international organizations in the field are cooperating through an Intersecretariat Working Group to remove duplication, improve service and reduce the reporting burden of countries.

68. The Committee continued to carry out its regular programme of statistics collection, market analysis, and seminars and workshops. Work started on the forest resource assessment 2000 (temperate and boreal zone). In addition, the Committee continued to monitor all forestry assistance to countries in transition, in accordance with its mandate from the Helsinki conference.

69. The fifth study of the outlook for the European forest and timber sector neared completion, although behind schedule because of a vacancy in an FAO post. A seminar on multiple use forestry proposed that international guidelines for drawing up codes of practice on multiple use forestry be drawn up. A decision on follow-up is pending.

HUMAN SETTLEMENTS (Subprogramme 10)

70. Preparations for the 1996 Habitat II Conference required much attention from the Committee on Human Settlements. The ECE has initiated many actions with the aim of providing a regional input to the Conference. Bearing in mind that the two major themes of the Conference are adequate shelter for all and sustainable human settlements development, ECE has prepared four major studies for policy makers and local government officials on sustainable planning and management, land administration, the implementation of urban renewal, and housing administration policies and housing policies. These publications will be presented at Habitat II complemented by a paper Towards Sustainable Human Settlements Development in the ECE region. The Conference will also be used to increase ECE's visibility in this area and to develop cooperation with local authorities.

71. As a result of a meeting organized by the Government of Hungary, ECE and HABITAT, it was recommended that ECE play a guiding role, particularly in the area of sustainable human settlements planning, land administration and housing policies, in the follow-up activities to the Conference. In order to implement this recommendation, ECE has strengthened its cooperation with the

other regional commissions, in particular in preparing a regional component to be included in the draft Habitat Agenda. To strengthen further ECE's role in the preparation of Habitat II, a workshop was organized to exchange information on national preparations and to seek guidance for PrepCom III. The interdisciplinary nature of human settlements is reflected in the forthcoming Economic Survey of Europe 1995-1996, where for the first time a special chapter is devoted to housing and regional planning development in the countries in transition.

B. HIGHLIGHTS FOR 1996

ENVIRONMENT (Subprogramme 01)

72. At its session in May the Committee on Environmental Policy will take a decision on a permanent ECE programme on Environmental Performance Reviews. In the Division a team for EPRs has already been established. At least two EPRs would be initiated this year. A permanent programme would include 3-4 EPRs a year. A crucial challenge during 1996 is the mobilizing of a sufficient amount of extrabudgetary resources, mainly from western member Governments.

73. The follow-up of "Environment for Europe" and the implementation of the decisions taken at the Ministerial Conference in Sofia in October 1995 will, during 1996, constitute two major items: measures for screening and priority setting of the Environment Programme for Europe and negotiations on a Convention on Access to Environmental Information and Public Participation in Environmental Decision-making. The follow-up of the implementation of EPE requires focusing on issues where ECE has sufficient expertise, cross-sectoral cooperation within ECE and cooperation with other regional organizations. The Committee on Environmental Policy will consider its strategic role in May, set priorities on its work and revise its programme of work accordingly.

74. The negotiations of three new Protocols under the Convention on Transboundary Air Pollution are stretching secretariat resources to the extreme. Major contributions by experts from member countries are needed.

75. Preparations for a regionalization of the follow-up of Agenda 21, begun at a meeting in New York in December 1995, will require active participation by the secretariat in the Commission on Sustainable Development. ECE should be able to contribute, in cooperation with the other regional commissions, to the preparations for the high-level CSD meeting in 1997, inter alia to promote a reasonable regional follow-up mechanism for the meeting.

TRANSPORT (Subprogramme 02)

76. The revision of the TIR Convention will need to be substantially accelerated during 1996 given the present very serious difficulties in the application of the present TIR transit procedure and the rising levels of fraud caused by organized crime. Three sessions of the Working Party on Customs Questions affecting Transport, two sessions of the TIR Administrative Committee and several informal meetings of experts are foreseen for 1996.

77. Preparatory work for the Regional Conference on Transport and Environment will continue with the further development of the issues contained in the Draft Guidelines for a Common Strategy regarding Transport and Environment and with the preparation of final documents for the Conference. If the Conference is held in autumn 1996 as initially scheduled, negotiations and consultations will need to be intensified.

78. The European Agreement on Main Inland Waterways of International Importance (AGN) adopted by the Inland Transport Committee at its fifty-eighth session will be open for signature at the Office of the United Nations in Geneva from 1 October 1996 to 30 September 1997. The AGN shall also be open for accession by member States as from 1 October 1996.

79. The continuing implementation of special measures related to the current financial situation of the United Nations is expected to create a difficult situation in the Transport Division with particularly negative impacts in the units of Construction of Vehicles, Transport of Dangerous Goods, Transport Trends and Economics and in preparations for the Regional Conference on Transport and the Environment.

80. The special group for the elaboration of a draft European Agreement concerning the International Carriage of Dangerous Goods by Inland Waterways (ADN) will start its work.

81. Subject to the availability of resources due to the special measures adopted by the Secretary-General, a workshop on transit traffic facilitation will be organized possibly in Uzbekistan for the benefit of CIS countries.

STATISTICS (Subprogramme 03)

82. Having studied subprogrammes 1-4, the Conference will, in 1996, undertake an in-depth review of the remaining subprogrammes concerned with environment statistics and data dissemination and support for secretariat activities.

83. The ECE Statistical Division will further develop its close relations and collaboration with other international agencies, and especially with the Commission of the European Union. The Conference will continue to develop the integrated presentation of statistical programmes of all international agencies active in the region with common goals and the ECE and EU will increase their joint sponsorship of major technical assistance programmes in statistics in countries in transition.

84. The ECE's Information Systems Unit is in the Statistical Division. Having established a local area network throughout the ECE in 1995, it is intended that LAN-based facilities such as INTERNET and PC faxing will be implemented throughout the ECE in 1996. One of the most important advances will be in Electronic Data Interchange.

85. One of the important uses of Electronic Data Interchange is in ECE's collection of up-to-date economic statistics from countries in transition. It has been developed on an experimental basis in 1995 and will be used substantively in 1996. During 1996 the collection and editing of these

crucially important data will be refined in close collaboration with the Statistical Office of the CIS and with other national and international agencies.

86. It is intended that three annual publications of the Statistical Division, all concerned with energy, will be discontinued in 1996. They will be superseded by the extension of publications of the International Energy Agency (IEA) which are being expanded to include the data previously published by the ECE. The ECE will continue to collect data from its member countries which are not members of the IEA in order that the IEA may publish the data and the ECE will have access to all the data which the IEA receives.

TRADE FACILITATION (Subprogramme 04)

87. A main objective for 1996 will be to agree on the operational modalities for the proposed Centre for the Facilitation of Procedures and Practices in Administration. This includes the finalization of a detailed programme of work, terms of reference, operating procedures, and an implementation plan.

88. Priority work areas include the development of a model of the international trade transaction (ITT), the issuance of UN/EDIFACT directories and the further development of the Trade Facilitation Internet World Wide Web Home Page.

89. Special attention will be given to integrating the work of the Working Party on Standardization of Perishable Produce and Quality Development with the trade facilitation activities.

ECONOMIC ANALYSIS (Subprogramme 05)

90. In addition to the Survey and Bulletin, a special study of "The Role of Agriculture in the Transition Process Towards a Market Economy" will be published in ECE's Economic Studies Series. The study is the outcome of a joint ECE/FAO Symposium held in 1995.

91. The Division will try, subject to resource availability, to improve its analysis of transition economies, in particular by improving its coverage of CIS countries.

92. A number of population studies will appear: international migration in central and eastern Europe and the CIS; irregular transit migration in central Europe; international migration policies; the findings of the in-depth international migration surveys in Lithuania, Poland and Ukraine; a series of country reports analysing the findings of the Fertility and Family Surveys; and the first country reports based on the Ageing project.

ENERGY (Subprogramme 06)

93. The overall objectives of the programme of work on energy will remain largely the same. However the Committee on Energy, its subsidiary bodies and the secretariat will aim to enhance programme effectiveness and delivery, eliminate some operational weaknesses and strengthen some programme elements.

94. The Committee on Energy and its subsidiary bodies will review priorities and consider options for consolidating and streamlining the programme of work. Consideration will be given to: focusing efforts on a more limited number of strategic issues; strengthening the programme of work on energy policies, strategies and general energy issues (such as energy pricing, energy-economy-environment linkages and interdependencies); putting more emphasis on topics that are common across energy industries and fuels and are cross-sectoral in nature, so as to maximize synergies; reorienting methods of work, including those of the secretariat, so as to put more emphasis on substantive analytical studies; and ensuring that these studies are published and widely disseminated.

95. The Working Party on Coal will in 1996 reassess its overall work priorities and has begun to consider how to consolidate and streamline its work programme around such issues as industry restructuring, clean use of coal and development of norms and codes.

96. The programme of work in coal has been partially adjusted to give more emphasis to the clean use of coal. The Working Party has already approved a major new project, the Implementation Programme on Accelerating Clean Coal Technology (IMPACCT) for which the secretariat is seeking extrabudgetary support. In addition the Working Party is expected to continue emphasizing the development of guidelines, norms and classification systems. It should complete work in 1996 on the UN/ECE International Reserves/Resources Classification Framework for Assessing Coal and Mineral Deposits under market criteria. Likewise, the secretariat will be seeking extrabudgetary resources for this activity in order to initiate implementation of the classification framework on a worldwide basis, particularly in countries in transition.

97. The Working Party on Gas will be putting more emphasis on substantive studies and the production of tangible "products". It will undertake in 1996 a comprehensive study on "The Underground Storage of Natural Gas" which will be published and widely disseminated, begin to update the International Map of Natural Gas Fields in the ECE region, last published in 1984, and publish the Glossary on Natural Gas Reserves - Exploration, Exploitation, Economics, during the first half of 1996.

98. The Working Party on Electric Power will be giving more emphasis to enhancing cooperation and promoting the interconnection of electric power networks/grids at the subregional level, particularly between CIS countries, countries bordering the Black Sea and Balkan States. Enhanced cooperation with the CIS Electricity Council and the Black Sea Economic Cooperation is foreseen.

99. At its last session in November 1995, the Committee on Energy decided to strengthen activities related to the assessment and promotion of regional cooperation on energy strategies, policies and general energy issues, such as energy pricing, the development of indigenous energy supplies and security of supply. A workshop on energy policies, strategies and scenarios will be held in 1996 and the Committee will hold a round table on this topic at its next session. To strengthen further this area of work, efforts are under way to enhance and broaden the participation of energy policy experts and policy makers in the work of the Committee.

100. Assistance to countries in transition will continue to be an important element of the regular programme of work and activities supported by extrabudgetary resources will continue to be mainly directed to transition countries.

101. The Gas Centre was significantly strengthened recently by the addition of new staff and other resources, financed through extrabudgetary contributions by natural gas companies operating in the ECE region. The expanded programme of work, resulting from this increased support, will be of particular assistance to transition countries.

102. Countries in transition will continue to benefit from assistance in the area of energy efficiency through the "Energy Efficiency 2000" project and other extrabudgetary resources. The national proposals by Bulgaria, Czech Republic, Hungary and Russian Federation, supported by preparatory funding from the UNDP/Global Environmental Fund and developed in conjunction with the ECE secretariat, will be submitted to the GEF by mid-1996 for project funding. These proposals will also involve some form of co-financing, to various degrees, from the European Union, World Bank, local banks and other financial institutions, and possibly the European Bank for Reconstruction and Development.

103. As in the past, the programme of work might have to be adjusted over the course of 1996 to meet changing circumstances and the evolving needs of member countries. For example, in the Sofia Ministerial Declaration on the Environment, Ministers called for measures to increase the efficiency of use and production of energy. Decisions regarding the implementation of this Declaration might require such adjustment work within the limits of available resources and other priorities.

DEVELOPMENT OF INTERNATIONAL TRADE (Subprogramme 07)

104. The secretariat will prepare a study on the institutional, legal and business framework for developing more efficient systems to finance trade and promote more dynamic intraregional trade between ECE countries and organize a round-table during the Committee's next session.

105. Following the recommendations of the International Forum on attracting private investment to large-scale infrastructure projects, the Committee gave its support to the constitution of a group of private experts on new project financing techniques. During 1996 this group is to prepare guidelines on Build-Operate-Transfer deals for the countries in transition. Meanwhile, WP.5 will prepare a guide on property laws in the transition economies.

INDUSTRY AND TECHNOLOGY (Subprogramme 08)

106. During their next session in September 1996, the Senior Advisers on Science and Technology are expected to carry out the quadrennial review of major changes in overall science and technology policies. New submissions and/or updates for the inventory of existing safety guidelines in biotechnology will be issued. The Seminar on State Policy in Economies in Transition Aimed at Promoting Innovation in Industry is expected to be held in Poland and preparations will begin for the Seminar on the Reorganization of

the System of Management of Science and Technology under the New Economic and Political Conditions to be held in the Russian Federation. Cooperation with UNCTAD and the Council of Europe will be strengthened.

107. As a part of the major activities of the Working Party on the Chemical Industry the implementation of projects within the CHEMISEED Regional Programme will proceed. The pilot project demonstrating the environmental clean-up of selected sites polluted by chemicals will enter the implementation phase, in which numerous sites should be actively under a clean-up operation. The comparative data bank of chemical legislation in the countries of the ECE region will be published in CD-ROM format, and updated on a regular basis. The project is financed by the EC.

108. A Seminar on Ecological Applications of Innovative Membrane Technology in the Chemical Industry (Italy, May 1996) and a Workshop on Process Integration, Industry and the Environment (United Kingdom, June 1996) will be held. Assistance to countries in transition will be supported by a Workshop on the Restructuring and Modernization of the Chemical Industry in the Countries in Transition (Ukraine, September 1996) and a study tour of the Bulgarian chemical industry (June 1996). The regular series of round-table discussions held during the Working Party's annual session will continue in 1996 with the theme Strategic Planning of R & D in the Chemical Industry.

109. The Working Party on Engineering Industries and Automation will focus on assistance to the restructuring of engineering industries in economies in transition, e.g. follow-up to the Workshop on Small and Medium-Sized Enterprises, to the Seminar on Industrial Statistics and to the Seminar on New Materials and Engineering Technologies. Following the outcome of the Round Table on Sustainable Industrial Development, the Working Party will continue its activities related to techno-economic and environmental issues, in close cooperation with Governments, selected private companies (electrical engineering, information technology, etc.) and international organizations.

110. The fifth session of the Working Party on Steel approved the organization in 1996 of a Workshop on Reconversion Policies in Coal and Steel Producing Regions, at the invitation of the Russian Federation, and a Study Tour of the Korean Steel Industry in 1997. It will organize an international Conference on the Twenty-first Century Steel Industry of the Russian Federation and the CIS and begin a Study on the Impact of New Technologies on the Restructuring of the Steel Industry. It will proceed with an in-depth analysis of the evolution of the steel market.

111. The Working Party on Steel will continue to cooperate with other organizations, in particular the European Commission, the World Bank, OECD, EBRD and the International Iron and Steel Institute. The five organizations will launch a study analysing the potential for cooperation between steel producers of different European countries, with emphasis on the integration of the steel industries of the economies in transition into the world economy.

112. The decision of the Working Party on Standardization Policies, at its fifth session, concerning the revision of its terms of reference and title reflects the inclusion of technical harmonization within the scope of the Working Party's activities.

113. Following the success of the 1995 Paris Seminar on Metrology a second seminar on metrology will be organized in 1996 in Slovakia. Specific training sessions on matters such as traceability, accreditation of calibration laboratories, and the organization of national reference laboratories are also foreseen. A workshop on quality assurance in Romania is planned.

114. The sixth session of the Working Party will have before it draft revisions of the ECE Recommendations on Standardization Policies and the ECE Standardization List. If adopted both documents will be published in 1996.

AGRICULTURE AND TIMBER (Subprogramme 09)

115. Merger of the Committee on Agriculture and the FAO European Commission on Agriculture could benefit ECE through obtaining joint sponsorship of the FAO Committee on Women. The ECE responsibilities within the present joint ECE/FAO Working Parties on Agriculture and the Environment and on Farm Management are not so great that they could not be absorbed into the work programmes of the appropriate ECE Divisions. Emphasis is being given within ECE to the role of women in sustainable development. It would seem beneficial to co-sponsor an important FAO Working Party on women which includes topics on sustainable development. Both agriculture and sustainable development are important issues to countries in transition, thus ECE would be responding to the interests of its member Governments in a substantive manner.

116. Harmonization of commercial standards for perishable produce: ECE could provide support for the efforts of the Ministry of Agriculture in the Czech Republic to establish an International Training Centre for Quality Control of Fresh Fruit and Vegetables. They have proposed a training centre which would hold one or two workshops each year in the Post Harvest Treatment Centre of Mendel University in Lednice. The aim would be to provide an international training centre for inspectors from countries in transition who would be trained by an inspection team from the United Kingdom initially. This would provide the longer range benefit of uniform interpretation of the UN/ECE and EU standards by inspectors from CITs. This is a practice based approach with rather modest cost requirements. ECE's role could be to coordinate and encourage the financial support for the centre from the EU and possibly the OECD Centre for CITs. The ECE could provide training materials (copies of standards) and possibly some instruction (introduction to the ECE Standards by the secretariat).

117. The first challenge for the Timber Committee in 1996 will be to define its role as a regional intergovernmental organization with special skills in the field of information/analysis in relation to the more political UNCED and Helsinki processes.

HUMAN SETTLEMENTS (Subprogramme 10)

118. The emphasis of the Committee's activities will be on final preparations for the Habitat II Conference, and participation in the Conference, including organization of three special events on sustainable planning of human settlements, cadastre and land registration systems, and housing sector reforms in countries in transition.

119. As agreed at the fifty-third session in September 1992, the Committee will revise its structure and the programme of work to be aligned, inter alia, with new tasks for the regional commissions specified in the Habitat Agenda to be adopted at the Habitat II Conference. A special meeting on implementation of the decisions of the Conference in the ECE region will be organized in conjunction with the next session of the Committee.

C. MATTERS CALLING FOR SPECIAL ATTENTION OR ACTION BY THE COMMISSION

ENVIRONMENT (Subprogramme 01)

120. The Commission may wish to adopt a decision on the Third Ministerial Conference "Environment for Europe", recommended by the Committee on Environmental Policy at its special session (ECE/CEP/18). The Committee decided to keep in square brackets the paragraph concerning preparation of the European Energy Conservation Strategy (para. 6) since some delegations were not, at this stage, prepared to endorse the proposal.

TRANSPORT (Subprogramme 02)

121. The Regional Conference on Transport and Environment was initially scheduled for autumn 1996. However, for a number of reasons, including the time which may be needed for the elaboration of the legal instruments foreseen, it might be necessary or advisable to postpone the Conference to 1997. In view of the calendar of meetings for 1997 it was felt that, if it was not possible to hold the Conference in 1996, it should be held in autumn 1997. Two countries are considering hosting the Conference.

122. The Inland Transport Committee expressed concern about the professional posts currently vacant in the Transport Division and requested that they be filled as soon as possible. In connection with further possible savings which may be requested, the Committee was of the opinion that in view of the importance of the work carried out by it in quantitative and qualitative terms, and taking into account the efficient use of resources in the Transport Division, the Commission should give priority to transport related work and make sure that this was duly reflected in the budgetary assignments to the transport sector.

123. In order to continue to ensure secretariat support to the work of the Preparatory Committee of the Regional Conference on Transport and Environment, the Inland Transport Committee requested that an exception to the special measures be made in order to allow for the recruitment of a professional against a vacant post in the Transport Division.

124. In accordance with the decision of the Commission, urgent work was initiated on the revision of the Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention). In order to carry out the revision work in the required swift and efficient manner, the Inland Transport Committee requested the Executive Secretary to redeploy adequate resources to the Transport Division, to consider enlisting the

services of a consultant, to secure assistance in cash and in kind from ECE member countries, the European Union, IRU and other competent industry groups and to consider for this purpose the establishment of a TIR Trust Fund.

125. The Committee recognized and stressed the extreme importance of Regional Advisers' services for development and reform of the transport sector in countries in transition and requested that, despite the financial crisis currently facing the United Nations, the two posts of Regional Adviser be retained and that the secretariat take measures to ensure the provision of adequate resources for discharging their responsibilities.

126. Those Contracting Parties to the European Agreement on the International Carriage of Dangerous Goods by Road (ADR) which had not already acceded to the Protocol amending article 1 (a), 14 (1) and 14 (3) (b) of ADR, adopted by the Conference of the Contracting Parties on 28 October 1993, were urged to do so as soon as possible.

ECONOMIC ANALYSIS (Subprogramme 05)

127. The Senior Economic Advisers have agreed that the report of their proceedings, adopted at the end of each session, will in future be replaced by a report prepared after the session by the secretariat under the responsibility of the Bureau. This procedure will reduce the length of the session to 3½ days and cut the time required for delegates to remain in Geneva by 1½ days. There will be no round-table organized and financed by the secretariat at the thirty-second session of the SEA. Other measures for further rationalizing the work of the Senior Advisers will be discussed at their informal meeting in Geneva at the end of January 1996. There has been no improvement in the staffing required for economic analysis in the Division for Economic Analysis and Projections in 1995; delays in filling vacant posts have persisted, and maintaining the regular production schedule for the Survey and Bulletin has been made even more difficult by the special budgetary measures introduced in September. These deficiencies have been partly overcome only by existing staff working large amounts of overtime.

128. The Population Activities Unit has been negotiating programme content and funding for the 1996-1999 cycle with the United Nations Population Fund. These negotiations were not concluded by the end of 1995 and the projects on International Migration, Ageing, and the Fertility and Family Surveys have been extended through the end of March 1996 by which time a new programme will be prepared and agreed upon. A high-level UNFPA/ECE evaluation mission of independent experts in early January 1996 concluded that all three projects "are highly relevant to country concerns", "(they) constitute a highly efficient and cost-effective regional population programme" and that "the benefit to the transition countries is particularly clear". The mission recommended that "the three projects be extended for a sufficiently long period to allow them ... to translate their findings into policy-relevant conclusions ...".

ENERGY (Subprogramme 06)

129. In view of the importance of energy to countries in transition for renewing and sustaining economic development and the need for more assistance,

the Commission may wish to urge Governments and the private sector to contribute to the trust funds of the "Energy Efficiency 2000" project and the Gas Centre as well as to provide extrabudgetary resources to support activities in the area of coal.

130. There are currently two serious gaps in the energy programme of work: no significant work in the field of oil/petroleum and only limited work on new and renewable energy. The lack of the former is very serious because almost 40% of total world energy requirements, and almost 100% of energy needs for road, water and air transport, are derived from oil. In turn, road, water and air transport, and therefore oil, are major contributors to environmental pollution, notably air pollution, in the ECE region. The lack of a programme of work in the area of petroleum is hampering work in the area of transport and the environment. In the past, work on petroleum was constrained because it was judged to be too politically sensitive. This is no longer the case, but work in this area is not possible because of lack of resources.

131. While the share of total energy requirements met by new and renewable energy, other than hydro, is small, these are none the less important in some regional and local markets. They are also environmentally more benign than non-renewable energy sources, notably fossil fuels, and can contribute to sustainable development objectives. They are therefore of particular interest and importance to the United Nations, and should be of particular interest to the ECE. Unfortunately, the ECE programme of work in this area is limited by resource constraints in the foreseeable future.

DEVELOPMENT OF INTERNATIONAL TRADE (Subprogramme 07)

132. The main problems in implementing this subprogramme result from the lack of funds (especially for travel) for field research and organization of workshops as requested by the transition economies, which would enable more effective outreach to the enterprise sector.

INDUSTRY AND TECHNOLOGY (Subprogramme 08)

133. The publication of The Chemical Industry in 1994 - Annual Review, which is the top priority of the programme of work of the Working Party was delayed due to a lack of statistical support. The publication of Volume II of the Directory of Chemical Producers and Products has also been greatly delayed due to the lack of resources for chemical editing and data entry of the data already acquired. It is hoped that placing this publication with an external publisher will resolve this situation.

134. The implementation of the programmes of work of the Working Parties on Steel and the Chemical Industry would not be possible without extrabudgetary resources. The trust fund "Industry - Structural Change and Development" (ISCAD) was established to provide technical assistance to the countries in transition. Four experts were made available to the secretariat in 1995 thanks to contributions from steel and chemical companies in Austria, Belgium, Japan and the Republic of Korea.

135. The Working Party on Steel welcomed the objectives of a new project entitled "Forum for Recycling and Sustainable Management of Materials, FRM".

It invited the secretariat to consult further with the initiators of the project and also invited other relevant Principal Subsidiary Bodies of the Commission to consider this project with a view to making a possible contribution (ECE/STEEL/91, paras. 43-46).

136. The Working Party on Standardization Policies proposed a revision to its name (Working Party on Technical Harmonization and Standardization Policies) and to its terms of reference (ECE/STAND/42, para. 18 (a)), and invited the Commission to adopt the proposals at its fifty-first session.

AGRICULTURE AND TIMBER (Subprogramme 09)

137. Despite its acknowledged position as the only regular source of statistics and analysis at the regional level, the Timber Committee's resources are not sufficient to carry out its mandate satisfactorily. The Commission is invited to consider changing the Timber Committee's "non-priority" status (within the context of the wider review of the Commission's activities), and to authorize the Executive Secretary to transfer resources to the Timber Section.

138. The Committee's programme of assistance to countries in transition is acknowledged to be useful and efficient, but the need is for larger investment. Extrabudgetary sources are essential to provide seed money to increase the effectiveness of the activities and in particular to develop proposals for funding by other organizations which frequently do not dispose of the specialized knowledge and contacts in the forest and timber sector which are uniquely available to the ECE secretariat.

HUMAN SETTLEMENTS (Subprogramme 10)

139. The Committee on Human Settlements at its fifty-sixth session in September 1995 adopted two decisions, on regional preparations for the United Nations Conference on Human Settlements (Habitat II) and follow-up activities and on the Meeting of Experts on Human Settlements Problems in Southern Europe and its contribution to the Habitat II Conference (ECE/HBP/93, annexes I and II). In view of the concern of many ECE countries and that of the Ministerial Meeting of the countries in transition that a regional component was not adequately reflected in the draft Habitat Agenda, the Committee invited all ECE member countries to stress the importance of the regional component in the Habitat Agenda to be adopted at the Conference.